



GAIL FARBER, Director

**COUNTY OF LOS ANGELES  
DEPARTMENT OF PUBLIC WORKS**

*"To Enrich Lives Through Effective and Caring Service"*

900 SOUTH FREMONT AVENUE  
ALHAMBRA, CALIFORNIA 91803-1331

<http://dpw.lacounty.gov>

ADDRESS ALL CORRESPONDENCE TO:  
P.O. BOX 1460  
ALHAMBRA, CALIFORNIA 91802-1460

March 29, 2016

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

32 March 29, 2016

LORI GLASGOW  
EXECUTIVE OFFICER

**SERVICES CONTRACT  
AWARD SERVICES CONTRACT FOR AS-NEEDED SOLID WASTE  
AND FRANCHISE FEES VERIFICATION SERVICES  
(ALL SUPERVISORIAL DISTRICTS)  
(3 VOTES)**

**SUBJECT**

This action is to award a service contract for as-needed solid waste and franchise fees verification services within Los Angeles County and its designated areas as applicable.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Find that the contract work in this Board letter is not a project pursuant to the California Environmental Quality Act.
2. Award the service contract for As-Needed Solid Waste and Franchise Fees Verification Services for \$831,672 for the initial 3-year term and \$277,224 for each renewal option year to R3 Consulting Group, Inc. This contract will be for a term of 3 years commencing upon Board approval and execution by both parties with two 1-year renewal options and a month-to-month extension up to 6 months for a maximum potential contract term of 66 months and a maximum potential contract sum of \$1,524,732.
3. Authorize the Director of Public Works or her designee to annually increase the contract amount up to an additional 10 percent of the annual contract sum for unforeseen, additional work within the scope of the contract, if required.

4. Authorize the Director of Public Works or her designee to execute the contract; to renew the contract for each additional renewal option and extension period if, in the opinion of the Director of Public Works or her designee, R3 Consulting Group, Inc., has successfully performed during the previous contract period and the service is still required; to approve and execute amendments to incorporate necessary changes within the scope of work and to suspend work if, in the opinion of the Director of Public Works or her designee, it is in the best interest of the County of Los Angeles to do so.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The purpose of the recommended action is to provide as-needed and intermittent solid waste and franchise fees verification services to 1) review and verify the accuracy of the Solid Waste Management Fee (SWMF) invoices remitted to the County by waste exporters, operators of disposal sites, transformation facilities, and transfer/processing stations operating in the County and 2) to review and verify the accuracy of the franchise fees remitted to the County by the solid waste collection franchises serving the unincorporated County areas. This contract will also provide for solid waste tonnage verification services. Public Works has contracted for this service since 2007.

### **Implementation of Strategic Plan Goals**

The Countywide Strategic Plan directs the provisions of Operational Effectiveness/Fiscal Sustainability (Goal 1), Community Support and Responsiveness (Goal 2), and Integrated Services Delivery (Goal 3). The contractor who has the specialized expertise to provide this service accurately, efficiently, timely, and in a responsive manner will support Public Works in meeting these goals.

### **FISCAL IMPACT/FINANCING**

There will be no impact to the County General Fund.

The contract sum is \$831,672 for the initial 3-year term and \$277,224 for each renewal option year plus 10 percent of the annual contract sum for unforeseen, additional work within the scope of this contract, if required.

Funding for these services is included in the Solid Waste Management Fund Fiscal Year 2015-16 Budget and the Garbage Disposal District Fund Fiscal Year 2015-16 Budgets (GA1-Athens; GA2-Belvedere; GA4-Firestone; GA5-Malibu; GA6-Mesa Heights; GA7-Walnut; and GA8-Lennox). Funds to finance the remainder of the initial term, the contract's option years, and additional funding for 10 percent contingencies will be requested through the annual budget process.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The recommended contractor is R3 Consulting Group, Inc., located in Roseville, California, with a local office in Los Angeles, California. This contract will commence upon Board approval and execution by both parties for a period of 3 years. With the Board's delegated authority, the Director of Public Works or her designee may renew the contract for two 1-year renewal options and a month-to-month extension up to 6 months for a maximum potential total contract term of 66 months.

The contract will be in the form substantially similar to the form previously reviewed and approved by County Counsel (Enclosure A). Prior to the Director or her designee executing this contract, the

contractor will sign and County Counsel will review it as to form. The recommended contract with R3 Consulting Group, Inc., was solicited on an open-competitive basis and is in accordance with applicable Federal, State, and County requirements.

A standard service contract has been used that contains terms and conditions in compliance with the Board's ordinances, policies, and programs.

Pursuant to the applicable memorandum of understanding, on September 2, 2015, the Request for Proposals (RFP) for this solicitation was submitted to the appropriate union for review. The union has not asked to meet with Public Works regarding this solicitation.

Public Works has evaluated and determined that the Living Wage Program (Los Angeles County Code, Chapter 2.201) does not apply to this recommended contract, which is for service required on an as-needed and intermittent basis, hence, this contract is not a Proposition A contract (Los Angeles County Code, Chapter 2.121).

This contract does not allow for a cost-of-living adjustment for the optional years.

### **ENVIRONMENTAL DOCUMENTATION**

The proposed activity is not a project pursuant to Section 15378(b) of the California Environmental Quality Act (CEQA) Guidelines. The proposed action is an administrative activity of government, which will not result in direct or indirect physical changes to the environment.

### **CONTRACTING PROCESS**

On September 3, 2015, a notice of the RFP was placed on the County's "Doing Business With Us" website (Enclosure B), "Public Works Business Opportunities" website, and Twitter. Also, Public Works informed over 1,200 local small business enterprises about this business opportunity.

On October 7, 2015, three proposals were received. Despite our best efforts to outreach to small businesses, no proposals were received from any small business. The proposals received were first reviewed to ensure they met the minimum requirements in the RFP. One proposer withdrew; the two remaining proposals met the minimum requirements and were then evaluated by an evaluation committee consisting of Public Works staff. The evaluation was based on criteria described in the RFP, which included the price, experience, work plan, references, and utilizing the informed averaging methodology for applicable criteria. Based on this evaluation, it is recommended that this contract be awarded to the highest-rated, apparent responsive, and responsible proposer, R3 Consulting Group, Inc.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The award of this contract will not result in the displacement of any County employees as this service is presently contracted with the private sector.

The Honorable Board of Supervisors

3/29/2016

Page 4

**CONCLUSION**

Please return one adopted copy of this letter to the Department of Public Works, Architectural Engineering Division.

Respectfully submitted,

A handwritten signature in cursive script that reads "Gail Farber".

GAIL FARBER

Director

GF:JQ:so

Enclosures

c: Chief Executive Office (Rochelle Goff)  
County Counsel  
Executive Office

AGREEMENT FOR  
AS-NEEDED SOLID WASTE AND FRANCHISE FEES VERIFICATION SERVICES  
(2015-AN021)

THIS AGREEMENT, made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2016, by and between the COUNTY OF LOS ANGELES, a subdivision of the State of California, a body corporate and politic (hereinafter referred to as COUNTY) and R3 CONSULTING GROUP, INC. a CALIFORNIA CORPORATION (hereinafter referred to as CONTRACTOR).

WITNESSETH

FIRST: The CONTRACTOR, for the consideration hereinafter set forth and the acceptance by the Board of Supervisors of said COUNTY of the CONTRACTOR'S Proposal filed with the COUNTY on October 7, 2015, hereby agrees to provide service as described in this Contract for Solid Waste and Franchise Fees Verification Services.

SECOND: This AGREEMENT, together with Exhibit A, Scope of Work; Exhibit B, Service Contract General Requirements; Exhibit C, Internal Revenue Service Notice 1015; Exhibit D, Safely Surrendered Baby Law Posters; Exhibit E, Defaulted Property Tax Reduction Program; Exhibit F, Performance Requirements Summary; Exhibit G, Facilities Lists; Exhibit H, Sample Letters; the CONTRACTOR'S Proposal, all attached hereto; the Request for Proposals; and Addenda to the Request for Proposals, all of which are incorporated herein by reference, are agreed by the COUNTY and the CONTRACTOR to constitute the Contract.

THIRD: The COUNTY agrees, in consideration of satisfactory performance of the foregoing service in strict accordance with the Contract specifications to the satisfaction of the Director of Public Works, to pay the CONTRACTOR pursuant to the Schedule of Prices set forth in the Proposal and attached hereto as Form PW-2.1A, an amount not to exceed \$831,672 for the initial 3-year term and \$277,224 for each renewal option year or such greater amount as the Board may approve (Maximum Contract Sum).

FOURTH: This Contract's initial term shall be for a period of three years commencing upon Board approval and execution by both parties. The COUNTY shall have the sole option to renew this Contract term for up to two additional one-year periods and six month-to-month extensions, for a maximum total Contract term of five years and six months. Each such option shall be exercised at the sole discretion of the COUNTY. The COUNTY, acting through the Director or her designee, may give a written notice of intent to renew this Contract at least ten days prior to the end of each term. At the sole discretion of the COUNTY, in lieu of renewing the Contract for the full one year, this Contract may be renewed on a month-to-month basis, upon written notice to the CONTRACTOR at least ten days prior to the end of a term. The Director or her designee will provide a written notice of nonrenewal at least ten days before the last day of any term, in which case this Contract shall expire as of midnight on the last day of that term. Where all option years have been exercised, the Director or her designee will not provide a written notice of nonrenewal.

FIFTH: The CONTRACTOR shall bill monthly, in arrears, for the work performed during the preceding month. Work performed shall be billed at the unit prices quoted in Form PW-2.1A, Schedule of Prices.

SIXTH: Public Works will make payment to the CONTRACTOR within 30 days of receipt and approval of a properly completed and undisputed invoice. However, should the CONTRACTOR be certified by the COUNTY as a Local Small Business Enterprise, payment will be made in accordance with Board of Supervisors Policy No. 3.035, Small Business Liaison and Prompt Payment Program. Each invoice shall be in triplicate (original and two copies) and shall itemize the work completed. The invoices shall be submitted to:

County of Los Angeles Department of Public Works  
Attention Fiscal Division, Accounts Payable  
P.O. Box 7508  
Alhambra, CA 91802-7508

SEVENTH: In no event shall the aggregate total amount of compensation paid to the CONTRACTOR exceed the amount of compensation authorized by the Board. Such aggregate total amount is the Maximum Contract Sum.

EIGHTH: The CONTRACTOR understands and agrees that only the designated Public Works Contract Manager is authorized to request or order work under this Contract. The CONTRACTOR acknowledges that the designated Contract Manager is not authorized to request or order any work that would result in the CONTRACTOR earning an aggregate compensation in excess of this Contract's Maximum Contract Sum.

NINTH: The CONTRACTOR shall not perform or accept work requests from the Contract Manager or any other person that will cause the Maximum Contract Sum of this Contract to be exceeded. The CONTRACTOR shall monitor the balance of this Contract's Maximum Contract Sum. When the total of the CONTRACTOR'S paid invoices, invoices pending payment, invoices yet to be submitted, and ordered service reaches 75 percent of the Maximum Contract Sum, the CONTRACTOR shall immediately notify the Contract Manager in writing. The CONTRACTOR shall send written notification to the Contract Manager when this Contract is within six months from expiration of the term as provided for hereinabove.

TENTH: No cost-of-living adjustments shall be granted for the optional renewal periods.

ELEVENTH: In the event that terms and conditions, which may be listed in the CONTRACTOR'S Proposal, conflict with the COUNTY'S specifications, requirements, and terms and conditions as reflected in this AGREEMENT including, but not limited to, Exhibits A through H, inclusive, the COUNTY'S provisions shall control and be binding.

TWELFTH: The CONTRACTOR agrees in strict accordance with the Contract specifications and conditions to meet the COUNTY'S requirements.



IN WITNESS WHEREOF, the COUNTY has, by order of its Board of Supervisors, caused these presents to be subscribed by the Director of Public Works, and the CONTRACTOR has subscribed its name by and through its duly authorized officers, as of the day, month, and year first written above.

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
Director of Public Works

APPROVED AS TO FORM:

MARY C. WICKHAM  
County Counsel

By \_\_\_\_\_  
Deputy

R3 CONSULTING GROUP, INC.

By \_\_\_\_\_  
Its President

\_\_\_\_\_  
Type or Print Name

By \_\_\_\_\_  
Its Secretary

\_\_\_\_\_  
Type or Print Name

**Bid Detail Information**

**Bid Number :** PW-AED954  
**Bid Title :** As-Needed Solid Waste And Franchise Fees Verification Services (2015-AN021)  
**Bid Type :** Service  
**Department :** Public Works  
**Commodity :** AUDITING SERVICES  
**Open Date :** 9/2/2015  
**Closing Date :** 9/30/2015 5:30 PM  
**Bid Amount :** \$ 300,000  
**Bid Download :** Not Available  
**Bid Description :** PLEASE TAKE NOTICE that Public Works requests proposals for the contract for As-Needed Solid Waste and Franchise Fees Verification Services (2015-AN021). This contract has been designed to have a potential maximum contract term of five years, consisting of an initial three-year term and two potential additional one-year option renewals. The total contract amount of this service is estimated to be up to \$300,000 annually, including option years or up to \$900,000 for the three-year term. The Request for Proposals (RFP) with contract specifications, forms, and instructions for preparing and submitting proposals may be accessed at <http://dpw.lacounty.gov/asd/contracts> or may be requested from Mr. Erik Macias at (626) 458-2530 or [emacias@dpw.lacounty.gov](mailto:emacias@dpw.lacounty.gov), Monday through Thursday, 7 a.m. to 5 p.m.

PLEASE CHECK THE WEBSITE FREQUENTLY FOR ANY CHANGES TO THIS SOLICITATION. ALL ADDENDA AND INFORMATIONAL UPDATES WILL BE POSTED AT <http://dpw.lacounty.gov/asd/contracts>.

Minimum Requirement(s): Proposers must meet all minimum requirements set forth in the RFP document including, but not limited to:

1. Proposer or its Contract Representative must have a minimum of three years of experience providing fee verification services similar or same as described in the Scope of Work.
2. The use of Subcontractors is prohibited in this Contract with the exception of the services of a Certified Public Accountant (CPA).

A Proposers' Conference will be held on Wednesday, September 16, 2015, at 2 p.m. at Public Works Headquarters, 900 South Fremont Avenue, Alhambra, California 91803, in Conference Room D. ATTENDANCE BY THE PROPOSER OR AN AUTHORIZED REPRESENTATIVE AT THE CONFERENCE IS MANDATORY. Public Works will reject proposals from those whose attendance at the conference cannot be verified. Attendees should be prepared to ask questions at that time about the specifications, proposal requirements, and Contract terms. After the conference, Proposers must submit questions in writing and request information for this solicitation within three business days from the date of the conference.

The deadline to submit proposals is Wednesday, September 30, 2015, at 5:30 p.m. Please direct your questions to Mr. Macias at the number listed below.

Follow-us on Twitter:

We encourage you to follow-us on Twitter at LACoBuildings and LAPublicWorks for information on Public Works and instant updates on contracting opportunities and solicitations.

**Contact Name :** Erik Macias  
**Contact Phone# :** (310) 654-7884  
**Contact Email :** [emacias@dpw.lacounty.gov](mailto:emacias@dpw.lacounty.gov)  
**Last Changed On :** 9/3/2015 7:44:54 AM

[Back to Last Window](#)